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## OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this day of \(\frac{\sqrt{cu}}{\sqrt{cu}}\), 2008, between Tae Young LP, a Texas Limited Partnership, Lessor (whether one or more), whose addresses are: 5112 Spyglass Drive, Dallas, Texas 75287 and XTO Energy Inc., whose address is: 810 Houston St., Fort Worth, Texas 76102, Lessee, WITNESSETH:

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant, State of Texas, and is described as follows:

6.328 acres, more or less, out of the M.A. Barnes Survey, Abstract No. 94, and being Lots IRB and 2RB, Block 1, of Replat of Lot 1, Block 1 and Lot 2RA-2, Block 1 of Bedford Meadows Shopping Center, an Addition to the City of Bedford, Tarrant County, Texas, according to the map or plat thereof recorded in Cabinet A, Page 1994, of the Plat Records of Tarrant County, Texas and being those same lands more particularly described in a General Warranty Deed with Vendor's Lien dated October 2, 2007, from Central Meadows Partnership, Ltd., a Texas limited partnership, to Tae Young LP, a Texas Limited Partnership, recorded thereof Document No. D207365497, Deed Records, Tarrant County, Texas, and amendments thereof, including streets, easements, and alleyways adjacent thereof, and any riparian rights.

This is a non-development Oil, Gas and Mineral Lease, whereby Lessee, its successors or assigns, shall not conduct any operations, as defined comprise an oil and/or gas development unit. It is the intention of Lessor to allow Lessee to explore for oil and/or gas without using the surface of portion of this lease. This clause shall take precedence over any references to surface operations contained within the preprinted

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by Lessor by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 6.328 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and

- 2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of 3 years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- a. As royally, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal 25% part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such 25% part of such oil at the wells as of the day it is run to the pipe line or storage tanks. Lessor's interest in either case, to bear 25% of the cost of treating oil to render it marketable pipe line or its per line or storage tanks. Lessor's interest in either case, to bear 25% of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, one tenth either in kind or value at the well or many Lessor on all other minerals mined and marketed or utilized by Lessee from said land, one either kind or value at the well or many primary term or at any time or times thereafter, there is any well on said is and or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations occurred. Lessee covernants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of pending produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities of the will be constituted to the continue of the produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities of the will be continued in the case and the provisions of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no o
- hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

  4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, so as to contain not more than 90 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, so as to contain not more than 90 surface acres plus 10% acreage tolerance; firmlied to one or more of the following; (1) gas, other than cassinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservations (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservations (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from well is classified as gas wells by the conservations (condensate) pursual pursual

production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location and/or access road, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repairing of a well in search whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, not be binding upon the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after service of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less that forty acres), existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such surface facilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to the and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other leases, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.
LESSOR(S): Tae Young LP, a Texas Limited Partnership
The Foundation rate round by a rexast curring partnership
BY: David Young Um as Vice President of Tae Young LP, a Texas Limited Partnership.
STATE OF Texas
COUNTY OF Tavant } ss. (ACKNOWLEDGMENT FOR CORPORATION)
This instrument was a second of the MA
This instrument was acknowledged before me on the day of May, 2008, by
David Young Um, as Vice President on behalf of Tae Young EP, a Texas Limited Partnership.
EVAN SCOTT VANDERBILT Notary Public, State of Toxas  Notary Public
My Commission Expires April 04, 2012  Printed Evan Salt Value 11
Seal: